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Bias and Capture: Corruption, Poverty and the Limitations of Civil Society in India

ROB JENKINS and ANNE MARIE GOETZ

This chapter seeks to explain why India's otherwise vibrant and diversified civil society has, for the most part, been so unsuccessful at combating forms of corruption that disproportionately afflict the poor. Contemporary thinking on governance assumes civil society's comparative advantage in representing the poor, concluding that associations representing the interests of non-elite groups can act as 'watchdogs' on the state, compensating for failures by formal accountability institutions at curbing corruption. Indeed, some analysts have suggested that the state can 'foster' the emergence of civil society associations capable of articulating the views of the poor – for instance, through decentralisation, programmes that extend legally enforceable rights to the poor and the creation of forums for policy dialogue.

In this chapter we argue that for any of these 'state-fostered' forms of civil society to be effective in combating the corruption of particular concern to the poor they must be empowered to scrutinise the details of public-sector spending. This degree of transparency is much greater than normally envisaged in recent efforts by states to foster better representation for excluded groups. Likewise, the intensity of confrontation with the state that results once access to official documents reveals specific evidence of corrupt acts tends to be greater than expected by the state when it 'fosters' civil society engagement. Using a selection of case study material from India,¹ this chapter takes issue with these currently fashionable views on the state's ability to foster the emergence of civil society associations that can effectively challenge faulty or corrupt state decision-making. We also contribute to the wider debate on the capacity of civil society to act as an effective accountability institution for less privileged citizens. We do this in two stages. First, we review the relationship between accountability failures and the types of human development deprivations from which the poor suffer. Second, we analyse the means by which the state can undermine the

autonomy or compromise the integrity of the very civil society associations which might most be expected to represent the poor: trade unions, for instance, or associations of marginalised people.

Thus we focus in this chapter on two key factors that account for the shortcomings of civil society as an effective vigilance institution. First, corruption that directly affects the poor is embedded in a network of accountability failures that includes both other varieties of institutional 'capture' as well as forms of institutional 'bias'. Bias seriously erodes accountability for marginalised people, but is qualitatively different from the overt venality and collusion that characterise 'capture'. The mutually reinforcing properties of capture and bias – the tendency for one type of injustice to create the conditions for the perpetration of another – has consistently undermined efforts by peoples' organisations to combat forms of corruption that afflict the poor.

The second factor concerns the nature of civil society itself: its capacity to curb corruption is hampered by the extent to which crucial actors in India's associational domain are themselves 'compromised'. The lens of capture and bias is useful here as well. Whereas debates about corruption and accountability have neglected bias while focusing on capture, it is the reverse with respect to the issue of civil society. The *bias* of civil society organisations towards middle-class concerns has been well documented. This is particularly so when civil society groups promote anti-corruption campaigns: these often focus on spectacular instances of high-level venality, but not on the more mundane and regular pilfering of development funds which so profoundly undermines the quantity of resources and quality of services reaching the poor. But the *capture* half of the equation has not received much attention. And yet, it is the state's capture of civil society that is undermining pro-poor movements against corruption.

The Indian cases demonstrate the potential for state-fostering to produce precisely the kinds of 'compromised' civil-society organisations which inhibit the emergence of the most effective form of anti-corruption movement: one based upon the premise that citizens have a right to audit government finances in minute detail. This raises suspicions that state-fostering of civil society, whatever its merits, comes at a heavy price: the proliferation of associations unwilling to migrate from 'safe' forms of participation to those which involve confronting powerful elites and challenging the state's prerogative of auditing its own financial conduct. Such groups appear disinclined to demand and obtain sensitive government records, let alone organise ordinary people to analyse such information to determine where funds allocated for their benefit have actually gone.

On the other hand, some surprising groups – operating mainly in the

realm of identity politics – have emerged in some regional contexts to demand accountability on issues of social justice. This has implications for conceptions of civil society and its relationship to the state.

THE INDIA CASE MATERIAL AND ITS RELEVANCE

An innovative movement in the state of Rajasthan has substantially altered India's public discourse on how best to combat forms of corruption which particularly afflict the poor. Spearheaded by the Mazdoor Kisan Shakti Sangathan (MKSS), or Workers and Farmers Power Organisation, this movement demands and frequently obtains access to official expenditure records which citizen-activists then cross-check in a '*jan sunwai*' – a public hearing, or a kind of people's audit. The MKSS's collective process has exposed fraud in several local governments, deterred further malfeasance in others, influenced legal debates,² and generated a wider campaign for legislative and regulatory change at the state and national level.

Several organisations within India's vast and varied civil society share *either* the MKSS's concern for empowering the poor by halting the theft of public resources intended for them, *or* its enthusiasm for actively challenging the culture of bureaucratic secrecy – but not both. Many environmental activists, for instance, demand access to government information; their primary aim, however, is not checking misuse of public funds intended for the poor. Other groups share the MKSS's preoccupation with combating corruption, but without emphasising the type of popular auditing which only access to official records makes possible. In short, no other group has brought together the otherwise overused and underspecified ideas of transparency and accountability in such a creative, consistent, and collective fashion. This chapter suggests reasons why it is particularly difficult for civil society to organise effectively to curb forms of corruption which disproportionately harm the poor.

In the process, we engage with ongoing debates in the international literature on civil society's contribution to accountable governance, and on the state's ability to 'foster' the emergence of pro-poor forms of civil society. The Indian case material highlights the unpredictability of state-civil society interactions at the best of times, and the outright undesirability of many associational forms that have been fostered through state action. Their willingness, let alone ability, to contribute to a campaign against corruption is doubtful. Our argument is not that state-fostered forms of civil society are always dysfunctional, just that they often are. Moreover, even those that do produce desirable outcomes fail to challenge the state in one critically

important area: auditing the financial performance of government itself. Even in Latin America – where most of the evidence for the optimistic view of state-fostered civil society has been drawn – efforts to promote popular *auditing* (as opposed to participatory *planning*) are conspicuous by their absence. Few governments are willing to endow citizens with the extensive rights to information which are required for effective auditing of public spending. But in addition, few state-sponsored civil society associations are willing to engage in the adversarial tactics required for a meaningful audit of government decision-making and spending. They may be unwilling to jeopardise their relationships with the state, or may not be anxious to invite excessive scrutiny of their own accounts, organisational relationships, or decision-making patterns.

This is a particularly suitable theme for a volume celebrating Gordon White's contribution to development studies. Gordon's intellectual inclinations, particularly his scepticism about 'the current idealisation of the democratic character of civil society', indicate a thinker far more alert than most students of democracy to the potential for civil society to evolve in ways that defy conventional understandings, and sometimes even to serve undemocratic ends.³ Much of his work on China, for instance, illustrated with complex empirical evidence the ambiguous character of civil society, and above all the unpredictability of associational entities created through state action [*White et al., 1996*].

This is by nature a perverse paper: it uses the case of a highly effective anti-corruption movement – a success story if ever there was one – to illustrate why it is so difficult for other civil society groups that promote the interests of poorer groups to combat corruption. But the more one learns about the MKSS – and the more one examines other anti-corruption movements which at first glance seem to parallel the MKSS approach, but turn out to lack crucial ingredients – the more exceptional this grassroots movement seems. What is needed is an explanation for the overwhelming tendency of nascent anti-corruption movements to fail in their efforts to recruit allies among civil-society organisations oriented towards mobilising the poor. This requires an introduction to what makes the MKSS and its struggle for a constitutional right to information such an unusual phenomenon, bearing in mind that it is the contrast between this ideal type and the many other less effective organisations that is the analytical starting point.

CONTEXTUALISING THE MKSS⁴

The MKSS is a grassroots organisation of mainly poor people based in Rajasthan's economically underdeveloped Rajsamand district. It has described itself as a 'non-party political formation'.⁵ It relies for support less on its relatively small formal membership than on its much larger informal following. The driving force behind the MKSS is a combination of local people from socially excluded groups and a handful of committed activists from other parts of India who, since the late 1980s, have made the area their home. The MKSS distinguishes itself from conventional non-governmental organisations (NGOs): it accepts no external institutional funding and it does not focus on service delivery. It uses adversarial mass action and confrontation with the state administration to expose the misuse of public funds on anti-poverty programmes, and to struggle for a formal right to information so that it can gain better access to official accounts.

The MKSS's interest in the right to information arose from its work in the late 1980s and early 1990s on livelihood issues, particularly the failure of the state government to enforce minimum-wage regulations on employment-generation programmes in drought-prone areas. This generated a belief that access to official documents was an essential part of the struggle to demand accountability from local authorities. The MKSS's campaign to secure minimum wages for employees on drought-relief works highlighted the role of corruption in the underpayment of wages, as it became clear that local authorities were billing the central and state governments for amounts that far exceeded what workers were paid. This could only be confirmed by examining the financial documents pertaining to specific schemes, and checking these against the experience of workers. Other malpractices included inflated estimates for public-works projects, the use of poor-quality materials, and over-billing by suppliers. To combat these forms of fraud, access was required not only to balance sheets, but also to supporting documentation which could be cross-checked by workers organised through the MKSS – for instance, employment registers and bills submitted for the purchase of materials.

The MKSS gets this documentation by appealing to the virtue of sympathetic bureaucrats, or through public protest action aimed at those with less active consciences. Its key innovation is the collective analysis of official information. In locally organised *jan sunwais* – or 'public hearings' – expenditure statements derived from official records are read aloud to assembled villagers. These orderly hearings are presided over by a panel of respected individuals from within and outside the area. Local people are invited to give testimony which identifies discrepancies between the official

record and their own experiences as labourers on public-works projects or applicants for means-tested anti-poverty schemes. Through this direct form of 'social audit' many people discovered that they had been listed as beneficiaries of anti-poverty schemes, though they had never received payment. Others were astonished to learn of large payments to local building contractors for works that were never performed. This approach depends upon a principle of collective and very local verification of official accounts, as it is only at the local level that the many small diversions of funds, which go unnoticed in massive formal audits, can be detected.

Although successful in exposing corruption in a number of localities, *jan sunwais* have been relatively rare because of the difficulty in obtaining certified copies of government accounts from reluctant officials. In response, the MKSS developed a parallel strategy involving large-scale public protests demanding legislative and regulatory reforms to provide a legal basis for local efforts to obtain official records. The main demand is that citizens be entitled to photocopy government documents, except those with national-security implications. The state government vacillated in response to this demand throughout the latter half of the 1990s. In spring 2000, after a change of government, the new Congress administration finally passed a right to information law, supported by an amendment to the Panchayati Raj (local government) Act to institutionalise public audits of local government spending by village assemblies.⁶

THE LIMITS OF CIVIL SOCIETY

Robert Klitgaard has set forth several factors that he sees as accounting for civil society's poor track record at organising to fight corruption:

it is difficult to form a political constituency for an anticorruption effort. Unlike lobbies for, say, soya production or education, no well-organized citizens' group has a clear stake in fighting corruption. Moreover, civil servants often find anti-corruption campaigns threatening. Honest officials may fear being tarred with a reckless accusation; dishonest ones will raise obstacles against efforts to expose and punish their illicit activities. It is possible to launch an anticorruption campaign during a wave of public resentment, but institutionalizing public concern is difficult [Klitgaard, 1991: 97].

This argument has added weight when we consider the many, mutually reinforcing, ways in which corruption can afflict the poor. India's right-to-information movement has focused attention on the way in which impacts can be felt across three dimensions of citizenship. Each corresponds to a critical relationship in which citizens must engage – with the state, with the market,

and with civil and political society. The first is the pilfering of *state resources* intended to benefit the poor (such as subsidised food). When resources devoted to programmes intended for universal provision (for poor and non-poor alike) are diverted through corrupt practices, this has a disproportionately negative impact on the poor, since unlike many other segments of society they are ill-prepared to substitute private provision.

Second, the ability of the poor to achieve *market* gains is also impaired by corruption. Not only does the draining of public resources for such public goods as education and healthcare impair the market prospects of the poor, but the failure to enforce laws regulating market behaviour – which is due more to corruption than administrative incompetence – has dire consequences for many of their number. When policing of the market is lax, collusive relationships between firms and other organised economic agents (such as agricultural co-operatives) can diminish whatever scant benefits poorer citizens may have been able to derive from their productive activities or from redistributive programmes implemented by the state.

The third dimension of citizenship through which corruption affects the poor concerns *participation in civil and political society*. The skimming of state resources at local levels tends further to enrich those groups in rural society responsible for denying social and economic opportunity to the poor in the first place. Their collective prestige and influence, combined with the collusive relationships they forge with state officials, can thwart the nascent self-help activities of poorer groups in the political sphere. For instance, state officials whose services have been bought to rig agricultural markets and evade taxation are not likely to call out the police against their powerful accomplices when they engage in violence or intimidation to prevent poorer people from attending village assemblies or organising their own public meetings. It is through such sustained relationships between local elites and the state administration that networks of corruption – spanning the domains of developmental activity, market transaction and organised politics – have their most devastating impact on the poor.

*RECOGNISING CAPTURE AND BIAS IN HUMAN DEVELOPMENT DEPRIVATIONS

Awareness of corruption's multiple impacts – seen through the lens of citizenship – is the first step in understanding why corruption is a particularly difficult ill for civil society intervention to help rectify. Injustices are interlocking and cumulative, while adversely affected groups are fragmented and fight one battle at a time. Campaigning and advocacy work has been pursued

in relatively self-contained issue areas, which tend to correspond to one of the varieties of deprivation that accountability failures create for poor people. This has blunted its force.

But if we look beyond the citizenship model to a perspective informed by 'human development' concerns, it is possible not only to see the importance of other kinds of specificities – such as the diversity of means by which people are subjected to human development deprivations – but also the larger phenomenon of institutional accountability failure of which corruption is just a part. To understand this it is worth looking at the ways in which some of the critical deprivations that afflict the poor can be traced back to a lack of genuine accountability.

The next section of this chapter outlines accountability failures afflicting poor people with respect to three key deprivations which are both a cause and a symptom of poverty. These are the lack of access to:

- Sustainable Livelihoods, particularly land and fair wages.
- Capability-Enhancing Services, particularly education and health-care.
- Physical Security, particularly freedom from abuse (and neglect) by police.

A range of accountability institutions is supposed to prevent the systemic abuses that lead to these deprivations, or to punish those responsible for them and thus deter future violations. That they fail with depressing regularity is evident from the persistence of these deprivations.

However, as is suggested by the analysis of case-study evidence in this section – which ranges beyond India to demonstrate its relevance to global debates – the *reasons for institutional failure* are not reducible to corruption, defined generically as the abuse of public office for private gain.

The failure of accountability institutions – especially those that allow human deprivation to thrive unchecked – is caused by two interrelated, but analytically distinct phenomena: capture and bias.

The category of *capture* consists mainly of corruption, but also other forms of undue influence that do not, technically speaking, constitute corruption in that they stem from the intimidation faced by officials (from, for instance, politicians and the criminal underworld) rather than from an interest in direct pecuniary gain.

Bias-related accountability failures, on the other hand, occur when the poor remain disadvantaged because of built-in impediments to the reduction of the deprivations they face. This takes at least two forms. First, accountability

institutions may simply have *no remit* for punishing officials whose actions produce a pattern of bias against the poor. In other words, their terms of reference focus on procedural correctness rather than the achievement of positive outcomes for the poor. Even when policy or programme design – the eligibility for a welfare entitlement, for instance – is clearly biased against underprivileged sections of society, accountability systems are often unable to take action, or at least *perceive* themselves to be impotent to intervene.

Second, there are often anti-poor biases built into the mechanisms through which disadvantaged people are entitled to use accountability mechanisms directly, such as the access restrictions that face litigants who might wish to seek judicial remedies against powerful state or non-state actors.

The human development deprivations discussed in this section have their roots in the failure of four main accountability institutions, each of which fails for reasons of both capture and bias, as indicated in the descriptions below:

- *Reporting systems within bureaucratic hierarchies*, in which subordinates are accountable to their superiors, but in which disciplinary procedures are either insensitive to the special conditions facing the poor or too remote from the sites of injustice that require remedy, allowing collusion between officials and their supervisors.
- *Oversight or regulatory agencies* that fail to take action against the public or private bodies over which they exercise jurisdiction, either due to outright corruption or the undue influence exerted by political leaders or interest groups.
- *Electoral systems* that fail to create incentives for representatives to promote the interests of the poor, or which are infested with fraudulent practices or legally permissible avenues for influence peddling.
- *Judicial proceedings* that provide little direct or indirect protection for the poor because of the limited access they provide, their use of foreign languages, their reliance on investigative machinery of biased executive agencies, or simply bribery of judges and court officials.

(a) Sustainable Livelihoods

The opportunities for disadvantaged people to engage in sustainable livelihoods is impaired by the failure of accountability institutions. A good deal of this is due to the anti-poor 'bias' variant of accountability failure. For

instance, economic policies routinely discriminate against people working in the informal sector. But corruption and other forms of 'capture' also impede the ability of accountability institutions to defend the livelihood prospects of the poor.

Access and secure title to land are among the most important assets that can help people to improve their chances of a better life. However, many public actions ostensibly designed to promote access to productive resources fall prey to accountability failures. Land reform legislation is one area which has rarely produced the desired results because of collusion between sellers and buyers to overstate land prices, divide the surplus between them, and let the government absorb the costs. Conventional financial monitoring of such transactions often fails to stamp out such abuses because on paper, the transactions appear legitimate. This accountability failure is largely one of capture compounded by bias.

Accountability institutions have also fared poorly in the task of ensuring that poor and vulnerable people have access to credit for productive purposes. This happens both directly and indirectly. The indirect form arises when failures related to other sorts of livelihood concerns take their toll on the ability of people to access credit. The more direct route by which oversight mechanisms fail to ensure access to credit for the poor involves their inability to detect or prosecute cases of corruption in government credit programmes. This is particularly important as corruption in formal credit markets can affect the rates offered through informal sources [Gupta and Chaudhuri, 1997: 331-43]. A study by Transparency International Bangladesh found that people accessing credit from the formal banking sector paid a direct bribe of between two and 20 per cent of the loan value. This wide range reflected the diverse socioeconomic profile of respondents, but the '[l]arger percentages are extorted from uneducated rural applicants'. Moreover, these farmers faced higher demands for bribes than the more affluent borrowers seeking commercial loans, 'because the bribe is usually shared with government officials that may be involved in the loan review process', including the many functionaries at the local level. The bribes received by local officials 'percolate up to District and higher levels and neutralize the monitoring function of the administrative hierarchy' [Munshi, 2000].

But these fees are just for obtaining the loan. In order to obtain an assurance from rural branch managers of state owned banks that they will not actually have to repay the loan, borrowers pay up to 50 per cent of the value of the loan. These promises are not generally honoured, but an audit by Bangladesh Bank, revealed that branch managers had forgiven at least 1.6 billion taka in interest payments without authorisation. The very fact that

poorer Bangladeshis are forced to collude in such illicit transactions – and to pay a fee for the right to access credit under such conditions – undermines their willingness to play a role in demanding accountability or protesting against corruption, a theme developed in the second half of this chapter.

(b) Capability-Enhancing Services

Appropriate and affordable basic services are essential for the poor to enhance their human capital base and to make the most of their physical assets such as credit or land. The key services for building human capital are education and health care. Whether these services are provided by the state or the private sector,⁷ all over the world poor people experience serious obstacles to accessing and fully benefiting from basic capability-enhancing services, obstacles which are a combination of capture and of bias in service delivery and design.

It is well known that elite biases among both designers of basic services, and the service providers themselves, produce a marked preference for urban and high-cost tertiary-level social services, such as hospitals and universities, as well as for new and high-technology investments in infrastructure, rather than in maintenance of existing facilities or their extension to poorer areas. This skewed distribution of basic services reflects the lack of voice of the poor in determining the types of public services that should be available, their physical location, terms of access to services, and the nature of interactions between service providers and clients.

Elite bias in public-service design and delivery is also reinforced by high-level corruption, which directs public funds away from basic social services and into investments that produce bigger commissions for corrupt officials, such as defence contracts and large-scale infrastructure construction projects, and diverts funds from the types and levels of services which the poor most desperately need, such as spending on textbooks and teacher training.

Accountability instruments such as administrative reporting procedures, professional and service-level performance standards, and oversight bodies often fail to correct for the social biases embedded in application procedures for basic services that end up disqualifying the most needy applicants. Long-distance travel, literacy, or eligibility requirements which demand possession of scarce formal documents, become insurmountable access barriers to basic services and act as screening mechanisms to exclude poor clients.

Where poor people overcome access barriers to public services, they may encounter a fresh set of problems: contemptuous treatment by service providers, or else discrimination in service provision that endows poor

clients with less of the public resource which is their due. Examples abound of high-handed, patronising, rude, or outright abusive nurses, teachers, police, and local government officers. Where service providers use their discretion to deny full services to their least privileged clients, patterns of discrimination may follow class, race, ethnic, or gender lines. Health care workers in India, for example, selectively provide less information on contraceptive choices and side-effects to poorer women or women from remote areas [Murthy, 1999]. Such examples reinforce the impression that bias and capture go hand in hand. Accountability institutions that simply address capture will remain unable to address these 'bias' problems until they adopt new norms for assessing performance.

Beyond the failure of audit institutions and oversight agencies to control for corruption in the funding and delivery of services, inadequate disciplinary and reporting systems within the public administration are the greatest culprits for the many exclusions, humiliations and poor-quality services endured by the poor. These represent *the institutionalisation of bias*. Performance standards used to assess quality in public services may fail to measure whether access barriers to the poor have been lowered, or to assess whether their particular needs in relation to services such as health, education or housing are addressed. Regulatory oversight bodies and licensing systems run by independent or government-supported professional bodies are very unlikely to report to the disadvantaged clients of services; their reporting patterns are oriented towards the top levels of the bureaucracy and government. Informal accountability institutions that cultivate quality controls among service providers, like the peer reviews and self-regulation that are provided by medical associations or teacher training systems, may not only fail to encourage professionals to address the particular problems and needs of the poor, but usually function to preserve the self-interests of professionals over their clients.

(c) Physical Security

The poor are often the primary victims of violent crime and human rights abuses, whether committed by fellow citizens or by state agents such as the police. Certain types of violations of physical security affect specific vulnerable groups almost exclusively. Crimes such as rape and domestic battery, for instance, are mostly suffered by women and children, while racial and ethnic minorities can be subjected to systematic, organised physical assault.

While physical insecurity is itself a form of diminished human development, it also undermines health and well-being, and causes poor people to shy away from investing in their futures or broadening their income-

generating efforts. Girls may not be sent to school for fear of sexual assault on the way there or in the classroom.

In some countries, the police, far from acting as defenders of public order and security for all citizens, can be the agents dispensing violence and terror. Or they can preside over polarised justice systems, by under-policing or ignoring lawlessness and violence in poor communities, while protecting the property and rights of the wealthy. Where violence is perpetrated by the police, and left unpunished by the courts, the poor rarely expect to receive fair treatment from state officials. Multiple accountability failures produce this impunity in police behaviour. The organisational culture of the police, which should act as an accountability institution by supporting professionalism and respect for the law, reinforces the difficulties of checking police lawlessness. But judicial systems support the police's assault on the poor by prosecuting and convicting crimes committed by the poor, and not elite crimes, such as tax evasion or financial crimes. The judiciary also fails to prosecute crimes from which the poor suffer more than other groups, particularly violent crimes in low-income neighbourhoods or in rural areas.

Corruption and intimidation of the judiciary account in part for the failure to prosecute police impunity. But a bias in favor of police impunity and against a fair hearing for the poor is built into several important procedural aspects of the legal system. For instance, human rights activists argue that judicial systems that consider confession the key form of evidence create incentives for the use of torture [Bolivar, 1999: 43]. The emphasis on written procedures also creates access barriers – alienating non-literate plaintiffs. Other access barriers that keep the poor from prosecuting abuses against them more effectively are laws of legal standing, which may make it difficult for the poor to sue the government collectively in civil suits and thus overcome informational, financial, and psychological barriers to holding officials to account.

Perhaps the most disturbing accountability failure behind the inadequate prosecution of crimes of violence against the poor is at the level of public tolerance for police brutality directed against the poor. In many countries impunity is virtually assured for those who commit offences against people considered 'undesirable' – for instance, against ethnic minorities, or social outcasts such as the homeless, sex workers, orphans, and the extremely destitute. In such cases the law and the police serve as a form of 'border guard' not just protecting elites, but acting as an instrument of elite domination and oppression [Pinheiro, 1999: 7]. This is the extreme case where capture intersects with bias.

As argued in the introductory section of this chapter, the existence of these multiple forms of deprivation, combined with the tendency for accountability failures to consist of both capture and bias – with each reinforcing the other – has presented a very inhospitable environment for anti-corruption civil society groups, even those seeking to focus specifically on forms of corruption that afflict the poor. The existence of other variants of state capture, and the pervasive anti-poor bias in state institutions, means that gains in one field are often easily offset in others, due to the recurrence of accountability failures by other agents of the state.

COMPROMISED ALLIES

This discussion of capture and bias, and how the two combine to produce various forms of human development deprivations, is only the first of two key reasons why civil society activism has faced such serious obstacles when it has sought to combat corruption. The second has less to do with the accountability deficits of the state than with the *corrupted nature of civil society itself*. There are several seemingly natural civil-society allies for any movement to tackle forms of corruption which particularly afflict the poor, and yet they fail consistently to provide the kind of support required. What the MKSS's experience seems to indicate is that anti-corruption campaigns require both broad-based participation in protest action and grassroots initiatives to involve ordinary people in auditing public expenditure at the local level. The latter in particular is missing. This is because many organs in civil society that would be expected to contribute substantially to pro-poor anti-corruption movements are themselves 'compromised'; they are implicated in the system which perpetuates corruption, and indeed accountability-related deprivations more generally. There are three worth considering.

The first is perhaps the most well known: traditional non-governmental organisations (NGOs), many of which engage in dubious business practices. In India, as elsewhere, many are outright crooked, siphoning funds to those who control them. Others are more complicated: their lack of institutional capacity means that they are unable to monitor intermediaries who deliver funds and services, leading to resources being pilfered further down the line. Another segment of the NGO community consists of organisations which are both clean and efficient, but nevertheless dependent on the government's goodwill to operate with any degree of effectiveness. They are vulnerable to intimidation, especially if they receive foreign funding.

Surveying India's NGO community for potential replicators of the collective-verification approach pioneered in Rajasthan's *jan sunwais*, one

finds few signs of hope. Senior representatives from two large foreign-funded NGOs in southern Rajasthan told us that they had no intention of pursuing the sorts of methods the MKSS had, though they were willing to acknowledge the positive impact of both the right-to-information campaign and the *jan sunwai* approach.³ They voiced elaborate justifications for why the MKSS method was not suited to their way of working, or why the MKSS, because it focussed on government-administered employment-generation schemes, was uncritically accepting the state-directed 'development paradigm' – thus neatly attempting to out-flank the MKSS on the left ideologically. The fear of backlash from the state appeared a more convincing explanation of these NGOs's unwillingness to champion participatory auditing despite their involvement in projects ostensibly designed to make local government more responsive to the poor. The state could, if it wanted to, detect any number of real procedural or ethical lapses on the part of NGO staff, and is more than capable of inventing others to get its intimidatory message across.

The second seemingly natural civil-society contributors to a transparency-based anti-corruption movement are trade unions – often the only force in a political system with the organisational muscle required to mount a sustained campaign to promote the interests of non-elite groups. Though sometimes derided as a 'labour aristocracy', unions in the organised sector have a direct interest in combating forms of corruption that undermine hard-won worker rights – for instance, ensuring that illicit income does not undermine the integrity of occupational-health inspectors. A democratic virtue often claimed for the trade union sector of civil society is a capacity to act as a watchdog over government's performance of its regulatory duties – something for which access to information is critical.

What is preventing organised labour from playing this role in India? Among other things, corruption. While in theory the ability of workers to switch union affiliation or vote out their representatives should reduce union leaders' scope for obtaining corrupt income, in practice the grip of mafia-linked syndicates on union organisations is often strong enough to prevent the emergence of serious alternatives. The case of the textile workers' union in Mumbai illustrates how corrupt civil society organisations can pose a considerable obstacle to the emergence of movements to make the state accountable to the poor. The legally recognised union, the Rashtriya Mill Mazdoor Sangh (RMMS), is under the direct control of criminal gangs operating under the patronage of senior politicians. The RMMS has systematically undermined the efforts of a dissident mill-workers' union, the Girmi Kamgar Sangharsh Samiti (GKSS), to combat corruption. The GKSS has charged company managements with failing to live up to their commitments

under government-sanctioned mill-modernisation plans. Their further charge is that government regulators have turned a blind eye in exchange for a share of the spoils.

The central government's statutorily created Board for Industrial and Financial Reconstruction approves plans put forward by chronically loss-making companies, and many of these have been in the textile sector. The revival packages include permission for mills to sell portions of their century-old real estate holdings in central Mumbai in order to raise funds for industrial modernisation. The officially recognised RMMS is permitted to learn all of the details of the approved plans, as are the regulatory bodies within the state and municipal governments. However, the RMMS has failed even to look interested in performing its watchdog function. In the absence of information detailing the exact concessions granted to the companies and their corresponding commitments under the revival plans – for instance, the amounts of land to be sold, the proportion of the proceeds earmarked for job-saving modernisation, the timeframe and sanctions stipulated in the agreement – it is impossible for the GKSS effectively to challenge the managements (and the government agencies charged with regulating them) for their failure to fulfil their responsibilities. The unquestionably corrupt and violent RMMS leadership holds a monopoly over that information – or rather holds civil society's stake in the tripartite information oligopoly that also includes the state and the private-sector mill owners. The RMMS is quite clearly a civil-society organ impeding efforts among other actors in civil society to use transparency to combat corruption.

The third seemingly natural civil-society allies of an anti-corruption movement are associations which poorer people have been able to build on the basis of claims made against the state – for instance, radical groups of forest dwellers, who have none of the mainstream anxieties of NGOs or trade unions. Leadership figures, such as resource-rights activists, are no more susceptible to elite backlash because of their activism than they already are due to their social and economic marginalisation.

Ordinary members of these organisations are, however, beset by a problem with potentially serious implications for their ability to take up active roles in campaigns demanding greater transparency, or to pursue variants of the *jan sunwai* method. Like trade unions and NGOs, they are implicated in corruption, though in a very different sense. The case of people living on designated forest land helps to illustrate this point. Many have had their traditional sources of livelihood drastically undermined by government forest policy. A good many occupants of government forest land are illegal encroachers who are able to remain in place by paying off forest and other land-revenue officials. While this sort of coerced bribery is not the moral

equivalent of the kickbacks pocketed by trade-union leaders, it nevertheless leaves the participants vulnerable. Rather than forming an extra battalion in the anti-corruption army, the people who make up organisations of this type can be disproportionately unwilling to risk exposure of what is, after all, illegal behaviour. Many fear, not unreasonably, that they (not the powerful landowners doing the same thing on a larger scale) will be the targets of a biased crackdown. They do not possess legal title to their land, and could be shoved off quickly. At the very least they are susceptible to scare stories of this type from local elites who might try to discourage them from contributing to anti-corruption efforts.

IMPLICATIONS FOR THEORIES OF 'STATE-FOSTERED' CIVIL SOCIETY

Two of these three seemingly natural, though ultimately unhelpful, allies in the struggle against corruption share the characteristic of having been brought into being largely through interaction with the state. NGOs are the most clear-cut case: they receive state funds in many cases, and carry out what were conventionally state tasks. As for labour organisations, industrial relations legislation in many sectors (including textiles) recognises specific unions, which are then granted far-reaching exclusionary powers over their competitors. The poor people's movements are in a different category. They may not have direct relationships with state organs, but very often are largely the creation of misguided state interventions – for instance, associations of people displaced by large hydro-electric dam projects. They exist politically to demand compensation from the state for particular actions, and to insist upon a radical overhaul of state policy.

That trade unions and NGOs are products of state action acquires analytical significance in the light of recent theoretical tendencies in the study of civil society's contribution to accountable governance. Stemming from a sense that the pendulum had swung too far in the direction of dichotomising state and civil society, conceiving of them as natural antagonists operating in zero-sum terms, several recent studies have emphasised the state's role in catalysing the emergence of specific civil-society organisations, or promoting conditions under which a 'thickening' of civil society can take place [Evans, 1996; Rueschemeyer et al., 1985]. Unfortunately, while seeking to rectify a conceptual imbalance, the new theoretical wave has taken an unnecessarily benign view of the state's part in this dialectic.

Rebecca Abers's [1998] study of a participatory budgeting process in Porto Alegre, Brazil, is perhaps the best example of this theoretical tendency.

Abers argues that the conventional wisdom has got the relationship between civil society and democracy all wrong. The accepted position has long been that states tend to crowd-out civil society – that is, that social networks are most likely to solidify into agents for change when the state is in retreat. But Abers argues persuasively that the participatory municipal budgeting process in Porto Alegre was a particularly striking case of what she calls ‘state-fostered civic organising’.

In Porto Alegre, neighbourhood associations and other defined interests have an almost continuous influence over the process of setting agendas, establishing spending priorities, scrutinising budget line items, and so on. The views of these associations enter the municipal budgeting process through their participation in a range of state-created debating and decision-making bodies. Abers’s empirical evidence supports her basic theoretical claim: that a government programme *can* result in ‘a successful state-sponsored effort at capacitating civic groups’. She thus contests the view that the state is ‘highly unlikely actually to encourage autonomous civic groups to form’ [Abers, 1998: 514].

Abers’s work is part of a longer-term effort, dating to the mid-1980s, to recast debates on the origins and growth trajectories of civil societies by ‘bringing the state back in’ to our understanding of how polities evolve [Rueschemeyer *et al.*, 1985]. Peter Evans [1996] subsequently elaborated this concept to include the mutually constructive roles that states and mobilised communities can play in supporting each others’ developmental activities through ‘state-society synergies’ [Evans, 1996: 1119]. Much of the evidence for this synergy is coming from Latin America.

Empirical evidence from India broadly affirms the argument that states can indeed foster new forms of civil society. There is, however, one extremely important modification suggested by the Indian experience: while states can help to foster the diversification of associational life, the result is not always along predictable or even desirable lines. This is ignored by almost all of the work which supports the ‘state-fostered civil society’ perspective. It raises, further, two kinds of suspicions: first, that by focusing on isolated instances in which there were fortuitous outcomes, the literature gives short shrift to those cases of state-fostered civil society that did *not* produce the desired results; and second, that even successes like the Porto Alegre experiment might, because of their parentage at the hands of the state, be congenitally incapable of confronting the most self-preserving instincts of the state by demanding that details of financial outflows be subjected to public scrutiny.

Indeed, there is no mention in the literature on participatory budgeting of complementary procedures for a participatory approach to *auditing* expendi-

ture. There is no systematic mechanism for opening up all the supporting documentation which makes an accounting statement meaningful and makes it possible for ordinary people to carry out the time-consuming task of verifying and falsifying the state’s ‘account’ of development – by inspecting physical premises and interviewing ordinary people to obtain their testimony. Whether in Brazil⁹ or Uruguay [Chavez, 1999], the civil society actors spawned by the structure of state programmes and processes have not gone beyond vague references to transparency and ‘open government’. In Bolivia, where the ‘Law of Popular Participation’ has taken the concept of collective engagement furthest, there is evidence that some of the local associations involved in the budgeting process have themselves become implicated in patronage politics, and in some cases outright corruption [Blackburn, 1999: 12]. Moreover, in the case studies on which Evans constructs his vision of state-society synergies, which centre on cooperation in the delivery of services, it is striking that there is no discussion of states facilitating the critical auditing function civil society groups need to play if they are to hold the state accountable to their poorer citizens.

UNINTENDED CONSEQUENCES: IDENTITY POLITICS AND THE ACCOUNTABILITY GAP

The emphasis thus far has been on the extent to which state-fostered forms of civil society either become corrupt – and thus unhelpful in fighting corruption – or appear disinclined to develop in the radical directions which would support the more optimistic claims of those who study them. This is not the same thing as saying that the state’s role in shaping and indeed inducing the emergence of particular expressions of civil society will always produce negative results. Rather, it highlights the substantial likelihood that outcomes will deviate from original expectations – something which aid and development organisations fail to recognise at their peril. The other side to this story of unintended consequences is that other instances of state-fostered civil society – in fact, those originally viewed with suspicion – can end up generating capacities to make the state accountable to poor and vulnerable people. We illustrate this point with two examples from India’s fragmented efforts to promote transparency.

The first illustrates how miscalculation on the part of governing elites can throw open unexpected spaces for civil society. In late 1997, the Goa state government passed a landmark right-to-information law. The intent of the original bill had little to do with increasing either access to or dissemination of information which might make government more accountable.

Instead, the bill included provisions which appeared to discourage press freedoms. Fears that an attempt was being made to muzzle the media triggered a protest campaign organised by the Goa Union of Journalists – until then, a fairly moribund organisation. This mobilised a tremendous cross-section of civil-society groups working on issues such as the environment protection, sustainable tourism, and gender equality. Ultimately, the government bowed to pressure and removed the law's anti-press provisions.

The irony is that in an attempt to control the press the state government provided Goa with India's only reasonably solid right-to-information legislation. By grossly miscalculating the level of opposition the bill would generate, the state created an opportunity for a diverse array of civil society groups to coalesce over a procedural matter and a liberal right which affects them all. These groups have continued to work together to pressure the state government to implement the law's provisions for citizen access to information, and have embarked on a campaign to motivate even more organisations in civil society to make use of the act.

The second example of unintended consequences of state-fostered civil society concerns another phenomenon neglected in the theoretical literature: the tendency for distinct 'sectors' in civil society to redefine themselves and assume new roles in response to state action. An examination of the civil-society actors which have used the transparency provisions grudgingly put in place by India's state governments in recent years reveals a curious phenomenon: the great interest shown by associations based on ascriptive identity. Such groups, it is important to note, are often portrayed as the enemies of norm-based governance: by pressing for benefits for specific communities they are seen to promote patronage, populism, and in some cases sectarian conflict. No development agency would encourage an aid-recipient state to 'foster' them deliberately.

And yet in India they are performing the important function of demonstrating to other less well-organised associations the potential relevance of government transparency to poorer people. In Goa, for instance, the Gomantak Bahujan Samiti (GBS), a federation of 'backward caste' associations,¹⁰ has used the state's new right-to-information legislation to expose the politically motivated process by which 'backward' status was granted to a large and, according to the GBS, socially and economically privileged caste. The GBS filed a petition under the Goa Right to Information Act (GRIA) requesting access to the administrative files pertaining to that decision. One of the cabinet notes prepared by the Social Welfare Ministry indicated that the decision of whether to award backward-caste status to this group was referred not to the legally sanctioned Goa State Commission for Backward Classes, but to the legislature caucus of the ruling Congress Party. The

decision, not coincidentally, was made during an election campaign, and the caste group in question was considered a potentially important electoral constituency for the ruling party. Following the GBS's presentation of its documentary evidence, the High Court halted the implementation of the government's decision to confer backward-caste status on this group. The GBS subsequently used the GRIA to research compliance with affirmative-action laws by obtaining information from all government bodies about their staff composition. These experiences have placed the GBS at the forefront of civil society's attempts to promote use of the law and to pressure the bureaucracy to implement it.

Another instance of ascriptive associations performing the functions one might have expected from other more 'functionally defined' groups in civil society comes from the southern state of Kerala. By setting aside 40 per cent of plan funds for Kerala's elected village councils – and enacting institutional reforms to support this process – the state's Left Democratic Front coalition government, in office between 1996 and 2001, went a long way towards involving people in the process of setting their own developmental priorities. In addition, right-to-information provisions have been added to Kerala's local-government legislation. One of the few civil society organisations to make use of them sought to trace whether funds intended for socially excluded groups actually reach their targets. The Kerala Pulayam Maha Sabha (KPMS) has pressed a number of village councils to reveal how they spent funds ostensibly earmarked for dalits, the most oppressed members of the Hindu social hierarchy. State law stipulates that 11 per cent of village-level plan funds be devoted to activities to benefit dalits. And on paper they are. The reality can be very different. For instance, village councils often count the entire cost of constructing a road against the 'special component' (that is, dalit) budget head because one or two dalit families happen to reside alongside it. To reveal these misleading accounting practices requires access to and analysis of actual expenditure documents. The KPMS has thus far been unable to obtain these, despite staging sit-ins in front of village- and district-council offices.

There are numerous other examples of identity-based associations stepping in to fill the gap where other, more 'modern' organisations have failed to establish a practical link between transparency and accountability. Organisations of tribal people in the state of Andhra Pradesh, for instance, have forced the government of chief minister Chandrababu Naidu to make good on its commitment to responsive government: they have obtained access to land records dating back decades as part of a process for adjudicating claims to land expropriated over the years by both state and private entities.

Apart from being based on appeals to ascriptive identity, the other thing these groups have in common is a credible claim to having been state-fostered. The electoral system in India reserves a proportion of seats in elected bodies for India's dalit and tribal communities. Government jobs and places in educational institutions are also awarded on a quota system which gives priority (in theory) to dalits, tribals and members of 'other backward castes'. These legal provisions have given rise to associational entities that would otherwise not likely have emerged in anything resembling the form they have now.

Thus, civil society elements whose emergence is fostered by the state can end up serving purposes very different to those originally intended by either side.¹¹ In the light of Gordon White's theoretical work on civil society, it is worth briefly mentioning one other conclusion that can be drawn from this case: that civil society's 'ascriptive-identity' facet has more in common with the 'functional-interest' facet than is often acknowledged. He pointed out that the literature on civil society's role in expanding civil liberties excludes 'ethnic associations seeking sectional advantage' as much as it does 'business groups bent on buying political influence' – both of which are seen to promote undemocratic 'forms of public behaviour and political accountability'. But, as he consistently maintained, the 'argument that only certain types of civil society can perform this [democratising] role, namely those that emerge from a process of modernisation', greatly limits our understanding of the complexity of civil society and the potential contribution of civic associations excluded from this narrow definition [White, 1994: 383].¹²

MISSING PUBLIC AUDITING'S TRANSFORMATIVE POTENTIAL

Despite these welcome, if unintended, contributions, the relative paucity of civil society organisations capable of promoting the interests of poor and marginalised people threatens to return the right-to-information idea to its bourgeois-liberal roots, depriving it of the transformative potential the MKSS has demonstrated. For instance, despite the GBS's good work in Goa, the main users of the new right to information have been urban middle-class people, using the law not to hold the government to account for its commitments to social equity, but to protect their own property rights, pursue business interests, or to improve the quality of tertiary education enjoyed by their children [Jenkins and Goetz, 1999a]. There may thus be additional hidden costs to some variants of state-fostered civil society: the tendency to produce 'trickle-down politics' – that is, the hope that the initial over-representation of middle-class concerns will give way to agendas relevant to disprivileged

groups. To date, there is very little evidence of this taking place in India.

In short, state-fostered forms of civil society seem not to be good at demanding and obtaining opportunities to engage in perhaps the most sensitive area of governance: auditing the performance of government itself, particularly with respect to the expenditure of resources. Indeed, India's most impressive example of state-fostered civil society has in its early years also proven notably disinclined towards popular auditing. The self-help and neighbourhood groups established under the People's Planning Campaign in Kerala have generated a great number of democratic benefits, but (the work of the KPMS notwithstanding) organising to strike at the local roots of the corrupt system has not been one of them. Again, the state's hand in fostering the emergence of this form of civil society appears at least partly responsible for this shortcoming. The NGO contracted by the state government to 'assist' in forming local associations is closely connected to the main party in the state's ruling coalition. As with the participatory budgeting processes in Latin America, the substantive involvement of Kerala's people in development *planning* has not yet led to greater demands for inclusion in systematic public *auditing* of actual expenditure. Another way of stating this as a more general proposition is to say that state-fostered civil society organisations do not seem well-suited to operating along the lines pioneered by MKSS.

But could not the MKSS – the benchmark against which others are being measured – itself be seen as state-fostered? If it can be, then the entire concept of state-sponsored civil society becomes so all-encompassing as to signify nothing. Indeed, this question throws into sharp relief a more basic conceptual problem with the theoretical literature: it is unclear what forms of state action qualify as 'fostering'. A start in the right direction would be to identify two qualifying categories. The first consists of civil-society responses organised directly by the state, with roles corresponding to the functional requirements of specific *government programmes*. The classic cases are public-works projects or complex subsidy bureaucracies, where social forces coalesce around a set of reasonably concrete demands pertaining to the operation of a programme. The Porto Alegre case, as a clear example of a process which produced a particular form of civil society response, sits fairly comfortably in this category. In the second category are cases which indicate the influence of the state's *institutional structure* on the formation or operation of civil society; these include such variables as the relations between tiers of government and the details of the electoral system. Again, the Porto Alegre experiment would qualify to the extent that the autonomy of municipal governments in Brazil shaped the willingness of the local authorities to incorporate civil society so closely into the process of participatory budgeting. In India, electoral rules which include measures to

support the representation of women or of people from 'backward castes' create incentives for these people to organise themselves to benefit from reserved seats and other earmarked opportunities and resources.

As for the MKSS, one could argue that it has been shaped by the necessity of acting within the framework of India's decentralised political arenas, and that it should therefore be considered a product of the *institutional structure*. But the MKSS – and indeed its first round of *jan sunwais* – preceded the Rajasthan government's establishment of new, constitutionally autonomous local-government structures. Alternatively, it could be argued that the MKSS focuses primarily on one set of *government programmes* – employment-generation schemes. And yet, this seems flimsy grounds on which to classify the MKSS as 'state fostered'. The MKSS is in fact the alternative to precisely those forms of civil society which the Rajasthan government has deliberately sought to foster. In 1996, the state government sought to demonstrate that a right to information was unnecessary by instituting its own programme of social audit. People were encouraged to 'participate' in their localities – mostly by handing complaints to 'touring' bureaucrats, but also by setting up local vigilance committees. And yet even senior bureaucrats responsible for staging the fairly elaborate logistics admit that the programme was superficial¹³ – the supporting documentation required for a genuine audit was not made available – and more importantly that it generated virtually no sustainable civil-society response.¹⁴ Thus, on neither count can MKSS be considered a product of state-fostering.

CONCLUSION

This chapter has highlighted two factors that help to account for the inability of India's otherwise impressive civil society to contribute effectively to fighting forms of corruption that afflict the poor. The first is the fact that corruption is just one sub-species of accountability failure, and efforts to combat it face difficulties when they cannot simultaneously address other forms – either additional manifestations of institutional 'capture', or else one or more varieties of institutional 'bias', another species of accountability failure entirely.

The second factor is the compromised (or in some cases outright corrupted) nature of key sectors of civil society – those, in fact, that should be the natural allies of the poor. This impedes efforts to build a broader movement for accountability based on the principle that ordinary citizens are entitled to scrutinise government expenditure records.

It has also questioned generalisations in the theoretical literature

concerning the capacity of 'state-fostered' forms of civil society to make the state more accountable to the poor. The Indian case demonstrates the potential for state-fostering to produce precisely the kinds of 'compromised' civil society organisations which inhibit the emergence of effective anti-corruption movements based on local-level popular auditing.

State-fostering, it has been argued, can also produce a range of unintended consequences which can offset this disadvantage. But the very unpredictability of this process undermines the notion that states (or development agencies) can deliberately generate such outcomes. One unintended consequence from the Indian case – ascriptive associations testing the limits of government transparency – also helps to expose the shortcomings of theories which assume a functional differentiation between the 'modern' and 'ascriptive' categories within civil society. Ironically, in Latin America – whence most of the evidence for the optimistic view of state-fostered civil society has been drawn – the kind of focused right-to-information approach which the MKSS has used so effectively in Rajasthan is nowhere on the horizon. This raises suspicions that state-fostering of civil society, whatever its merits, comes at a heavy price: the proliferation of associations unwilling to move from 'safe' forms of participation (for instance, in the setting of budget priorities) to those which risk direct confrontation with government officials and their powerful accomplices in the elite-oriented sector of civil society. Such groups appear predisposed to shy away from effectively demanding and obtaining government records, let alone organising ordinary people to analyse such information to determine where money allocated for their benefit has actually gone.

NOTES

1. Case study data were gathered in India between 1998 and 2002 by the two authors. They are grateful to the following institutions for their financial support for this research: The UK Economic and Social Research Council (grant number R00023885), the Social Science Research Unit at the UK Department of International Development, and the Ford Foundation, Delhi Office.
2. We have addressed this issue at greater length in Jenkins and Goetz [1999b].
3. This phrase is drawn from the second instalment in Gordon's two-part article on civil society and democratic development, a sceptical commentary on the optimistic and under-examined assumptions regarding the democratising role of civil society. See White [1994, 1995].
4. Space constraints limit the background which can be provided. For fuller accounts, see Mander and Joshi [1999], MKSS [1996] and Dogra and Dogra [1996].
5. In using this descriptor, the MKSS follows a stream of thinking on the role of voluntary organisations in Indian politics which can be traced to the theorising of Rajni Kothari, who coined the term in the mid-1980s. For a later elaboration of this concept, see Kothari [1990].
6. The passing of these two pieces of legislation has changed the terms of what the MKSS does. It can now better access local government expenditure data (though local bureaucrats and politicians remain deeply resistant to parting with this information, and do their best to doctor it).

Armed with better information, its people's audits have exposed even more spectacular corruption than before – for instance in the April 2001 *Jan sunwai* in Janawad, where such extensive corruption was exposed that there was no avoiding the holding of an official inquiry (which confirmed all of the prima facie evidence of corruption which had been exposed at the hearing). However, rather than focus on these spectacular exposures, the MKSS is hoping to encourage more effective public audits by village assemblies. It is encouraging local civil society organisations to research the gap between official spending accounts and the physical evidence of development resources spent, as well as local people's accounts of wages received or services delivered.

7. There is much current experimentation in both developed and developing countries today with privatisation of public services and public-private partnerships in service delivery. Private sector engagement in the provision of basic public services is supposed to increase efficiency through competition. The introduction of profit motives in service delivery is supposed to increase responsiveness to consumer choice, and also, in principle, to distance political considerations from decisions on service design and delivery. See for instance, Batley [1996: 723–57]; or the discussion of this issue in World Bank [1997].
8. Interviews, 16 and 17 March 1999, Udaipur.
9. In addition to Abers's piece, see Santos [1998].
10. Indian law provides job quotas (or 'reservations') in public-sector employment for members of Scheduled Castes (formerly known as untouchables; currently termed dalits), Scheduled Tribes, and 'other backward castes'. The latter are groups which are considered to have suffered nearly as much historical discrimination as the two former groups.
11. For a more nuanced approach to the relationship between ascriptive associations and civil society, see Chapter 8 ['Civil Society and the Politics of Identity'] of Wood [1995: 238–63].
12. This theme is elaborated in greater detail in Chapter 7 of Jenkins [1999].
13. Interview, 24 Dec. 1997, Jaipur.
14. See 'Social Audit Scheme Comes a Cropper', *The Hindu* (20 Dec. 1996). In February and March 2002, a more evolved set of public audits of panchayat accounts was ordered by the government in the highest-spending village panchayat in every one of the state's 237 blocks. In most of these panchayats a public official rapidly read the accounts to the village assembly – the lists of monies spent on various projects, housing loans to named individuals, and so on, and marked the accounts 'approved' if there was no audience reaction. Villagers were too intimidated, or too ill-informed, in most cases, to contradict official accounts. Only where an autonomous civil society group – in ten places the MKSS itself – had the alacrity to collect the expenditure information and do the research to verify whether funds had been spent as indicated, were objections to the official accounts registered.

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